

58; VZ-VA Ex. 124 at 122.) Verizon VA's equipment support costs are similarly supported by the record. Petitioners' objections to this approach are unavailing.

AT&T/WorldCom incorrectly assume that EF&I costs are limited to physical installation work.^{245/} Their repeated portrayal of the installation effort as being limited to the simple placement of a shelf on a relay rack and the sliding in of line cards is a blatant misrepresentation of the work activities required. Indeed, Petitioners' assertions may reflect the fact that they simply have no experience with splitter installation procedures; as AT&T has conceded, it "has not installed or purchases any splitters in Virginia." (VZ-VA Ex. 124, Attachment F.) In point of fact, the EF&I costs for splitters also include activities such as planning and engineering of the installation job and testing of the installed equipment, costs that Petitioners simply ignore. (*See* VZ-VA Ex. 107 at 156-58; VZ-VA Ex. 124 at 121.)

AT&T/WorldCom failed to produce any evidence, such as vendor invoices from their own splitter installations, to rebut Verizon VA's costs.^{246/} By contrast, Verizon VA produced quotes from two outside vendors that confirmed the reasonableness of Verizon's estimate (*see* Ex. 107 at 158; VZ-VA Ex. 124 at 123 and Attachment B.) Ultimately, if AT&T/WorldCom believe that installation can be done less expensively, they are free to hire a vendor directly, and

^{245/} AT&T/WorldCom also question Verizon VA's use of the Digital Circuit Equipment classification for splitters. The Digital Circuit Equipment (or the pair gain equipment) account includes electrical equipment that can provide multiple loops. Because splitters serve more than one circuit, they are most naturally grouped in this category. (*See* VZ-VA Ex. 124 at 122.)

^{246/} Indeed, AT&T has conceded that it "has not installed or purchased any splitters in Virginia." AT&T Response to VZ-VA 2-10 (attached to VZ-VA Ex. 124, Attachment F). Despite a request by Verizon VA, AT&T/WorldCom did not produce any information on charges that they pay to carriers or vendors in any other jurisdiction. *See* AT&T/WorldCom Response to VZ-VA 13-107 (attached to VZ-VA Ex. 124 at Attachment F).

avoid Verizon VA's non-recurring charges. But they have provided no evidence undercutting Verizon VA's cost estimate.

Verizon VA's splitter equipment support charges are also reasonable. AT&T/WorldCom suggest that the charge is inappropriate because a splitter has no active electronic components and requires only an hour of maintenance per year. But they offer no basis for their position other than the assertion that the splitter "is a passive device." (AT&T/WCom Ex. 13 at 135.) In fact, splitter maintenance involves three separate functions: replacement of the splitter card and obtaining a new spare when necessary; joint testing of the card; and maintenance and return of the defective card. (VZ-VA Ex. 124 at 127.) Verizon VA's charge accounts for the costs involved with these activities.

F. Verizon VA's Line Sharing OSS Costs Are Fully Supported and Appropriate.

Verizon VA proposes a per-line recurring rate that will be charged to each line sharing line ordered by a CLEC.^{247/} The OSS costs include the amortization of one-time expenses in connection with the required Telcordia-provided OSS software for line sharing (and its associated installation and testing), which was necessary to enhance Verizon VA's inventory systems to recognize line sharing. (VZ-VA Ex. 107 at 146.) The line sharing OSS costs were divided into three categories: (1) those to be shared between line sharing and line splitting; (2) those to be shared among line sharing, line splitting, and subloop unbundling; and (3) those related to internal ordering and billing OSS that are shared by line splitting and line sharing. (VZ-VA Ex. 124 at 111-12.) Rather than raise any substantive challenge to Verizon VA's cost

^{247/} This issue is discussed at pages 146-49 of VZ-VA Ex. 107 and 111-18 of VZ-VA Ex. 124.

study, AT&T/WorldCom simply assert that Verizon VA's information is "insufficient." (See AT&T/WCom Ex. 13 at 115.) Verizon VA's proposed line sharing OSS costs are fully supported by the record, and AT&T/WorldCom's baseless attacks should be dismissed.

G. Verizon VA's Proposed ISDN Electronics Costs Are Appropriately Recovered As A Non-Recurring Charge.

Verizon VA's estimate of non-recurring costs for ISDN extension electronics is reasonable.^{248/} Verizon VA's existing wholesale rate for ISDN-BRI-compatible loops is limited to loops 18,000 feet or less in length. When a CLEC orders an ISDN-BRI-compatible loop and the metallic loop length is greater than 18,000 feet, additional electronics must be added to the loop. (VZ-VA Ex. 107 at 162.) The proposed charge recovers the cost of the necessary electronics investment and installation. Contrary to AT&T/WorldCom's assertion, Verizon VA is entitled to recover this cost as a non-recurring charge. The electronics at issue are dedicated to the CLEC requesting their installation, and, as the Commission has held in similar circumstances, "[t]o the extent that the equipment needed for expanded interconnection service is dedicated to a particular interconnector, we believe that requiring the interconnector to pay the full cost of the equipment up front is reasonable . . . regardless of whether the equipment might be reusable."^{249/} Recovering these costs on a non-recurring basis is particularly appropriate because low customer demand and significant customer churn away from ISDN and toward xDSL-based services mean that Verizon VA is unlikely to be able to recover its costs on a recurring basis. (VZ-VA Ex. 124 at 154-55.) Finally, CLECs can avoid this optional cost by

^{248/} This issue is discussed in VZ-VA Ex. 107 at 162-64; VZ-VA Ex. 124 at 154-55.

^{249/} Second Report and Order, *Local Exchange Carriers' Rates, Terms and Conditions for Expanded Interconnection through Physical Collocation for Special Access and Switched Transport*, 12 FCC Rcd 18730 ¶ 33 (1997) ("Collocation Order").

purchasing and installing repeaters themselves in their collocation cages and/or at the customers' premises. (VZ-VA Ex. 124 at 154-55.)

VIII. VERIZON VA'S RESALE DISCOUNT STUDY.

A. Verizon VA's Approach to the Resale Discount Is the Only One That Complies with the Law.

Verizon VA's retail avoided cost study complies with the section 252(d)(3) of the Act's resale discount standard articulated by the Eighth Circuit in its decision vacating the FCC's existing rules.^{250/} The current discount rate does not. Specifically, Verizon VA's proposed resale discount is based on the retail costs that it will *actually avoid* when it provides a service to a CLEC on a wholesale basis for resale, rather than directly to end-users on a retail basis.^{251/} There is no question that this is the correct standard. In vacating the Commission's implementing rules, the Eighth Circuit found that in section 252(d)(3), "the phrase 'will be avoided' refers to those costs that the ILEC will actually avoid incurring in the future, because of its wholesale efforts, not costs that 'can be avoided.'"^{252/} The court specifically rejected the Commission's hypothetically-avoidable-cost rule, which is the rule that the Virginia commission relied upon in deciding the resale discount that remains in effect pending the outcome of these proceedings. Unlike the Commission's TELRIC standard, the decision of the Eighth Circuit with respect to the resale discount is not the subject of further review by the Supreme Court.

^{250/} See *Iowa Utils. Bd. v. FCC*, 219 F.3d 744, 755 (8th Cir. 2000), *cert. granted sub nom.*, *Verizon Communications, Inc. v. FCC*, 121 S. Ct. 871 (2001).

^{251/} The resale discount is addressed in VZ-VA Ex. 107 at 337-38 and VZ-VA Ex. 121 at 1-4.

^{252/} *Iowa Utils. Bd.* at 755.

Nonetheless, AT&T^{253/} argues that the Commission should delay any decision (and, of course, maintain the existing, higher resale discount rate) until the agency at some point in the future promulgates revised rules for calculating the discount.^{254/} In support of its novel proposal that the Commission enforce an invalidated legal rule, AT&T provides no legal rationale. Nor, given the Eighth Circuit's strong statement concerning the plain language of the statute and the absence of any appeal of that specific ruling, could any such legal rationale exist. As the Eighth Circuit found,

The language of the statute is clear. Wholesale rates shall exclude "costs that will be avoided by the local exchange carrier." 47 U.S.C. § 252(d)(3). The plain meaning of the statute is that costs that are actually avoided, not those that could be or might be avoided, should be excluded from the wholesale rates.^{255/}

No ambiguity remains to be clarified. The Commission may choose in the future to issue new rules interpreting section 252(d)(3.) But at this point, the question is whether, pending the issuance of any new rules, it would be appropriate to require Verizon VA to continue providing services at a resale rate that was calculated in a manner that the Eighth Circuit has expressly concluded understates the costs that Verizon VA is entitled to recover. The answer clearly is no.

^{253/} Mr. Kirchberger, the witness that testified against Verizon VA's resale discount, was sponsored solely by AT&T.

^{254/} AT&T's argument for indefinite delay pending a proceeding that has not even been established rings hollow in light of AT&T's and WorldCom's arguments concerning metrics and performance remedies. For those issues, AT&T and WorldCom claim that they have a "right" to have this Commission arbitrate every issue they have raised, even though the Virginia Commission has active proceedings on both issues that are in the comment stage. See WorldCom's Opposition to Verizon's Motion to Dismiss or, in the Alternative, to Defer Consideration of Certain Issues, CC Docket No. 00-218, at 17-19, (July 9, 2001).

^{255/} *Iowa Utils. Bd.*, 219 F.3d at 755.

Rather than await adoption of rules in an as-yet unscheduled rulemaking, Verizon VA has taken the only sensible approach that has been presented in these proceedings and that complies with existing law. Verizon VA determined an appropriate resale discount based on a plain reading of the statute and the Eighth Circuit's opinion. Verizon VA performed a study to identify the costs it actually avoids when it provides a service at wholesale to resellers rather than at retail to end-users and used those avoided costs to calculate the new resale discount in its study. Verizon VA's analysis of those costs also followed another principle articulated by the Eighth Circuit — that the identification of retail-avoided costs should recognize that the ILEC will not solely be a wholesale provider, but will continue to offer services on a retail basis to end users.^{256/}

AT&T offers no principled counterproposal to, or critique of, Verizon VA's resale discount study. In fact, AT&T's witness Mr. Kirchberger was unable or unwilling even to concede that the Eighth Circuit's ruling would, necessarily, lead to a lower discount (and more unavoided costs) than the pre-Eighth Circuit "avoidable" standard. Indeed, Commission staff specifically asked whether he was "making any distinction between the old standard and the new standard? And if so, what is it?" (Tr. at 3745.) Mr. Kirchberger simply could not answer; he stated only that AT&T had not done a study.^{257/} AT&T's arguments that Verizon VA's proposed resale discount does not comply with the law cannot be credited.

^{256/} *Id.*

^{257/} Verizon VA, in contrast, has submitted data in response to a Commission record request that demonstrates the differences in the avoided cost percentages when the prior resale discount methodology is used and when the current "actually avoided" cost approach is used. That data shows, among other things, a large difference between Verizon's current avoided cost study and its 1996 avoided cost study filing (and the Virginia Commission resale order) with respect to indirect expenses. In the current study, Verizon VA determined that few indirect expense

B. Verizon VA's Resale Discount Was Accurately Calculated to Reflect Avoided Costs.

Verizon VA's proposed resale discount complies with the language of section 252(d)(3), as interpreted by the Eighth Circuit,^{258/} and was accurately calculated based on a reliable identification of the "marketing, billing, collection, and other costs" that actually "will be avoided"^{259/} when Verizon VA's retail services are provided to CLECs for resale rather than provided directly to retail customers.^{260/}

Specifically, Verizon VA examined each function code associated with services available for resale to determine whether that function would be avoided if a customer were to receive service from a reseller.^{261/} (See VZ-VA Ex. 107 at 340, 342-62.) For example, Verizon VA determined that when a service is provided to a CLEC rather than an end-user, Verizon VA will avoid the customer accounting expenses associated with bill postage and billing and collection functions, as these functions would be performed directly by the CLEC rather than by Verizon VA. (See VZ-VA Ex. 107 at 347-48.) Similarly, Verizon VA determined that in a resale context

categories will actually be avoided as a result of a wholesale sale. (See VZ-VA Ex. 189.) This makes sense because Verizon VA is no longer required to assess costs as if it had exited the retail business entirely. Most of the indirect expenses simply do not decline as Verizon loses retail customers. Thus, these costs will not be avoided.

^{258/} These issues are addressed in VZ-VA Ex. 107 at 339-65 and VZ-VA Ex. 121 at 5-13.

^{259/} 47 U.S.C. § 252(d)(3).

^{260/} Verizon VA calculated the resale discount by dividing total avoided costs by the revenue from retail telecommunications services available for resale. (See VZ-VA Ex. 107 at 341, 362-64.)

^{261/} Verizon VA analyzed activities at the function-code level rather than relying on account-level data because account-level data are too general to permit an accurate determination of whether the costs contained therein are avoided. (See Tr. at 3727; VZ-VA Ex. 107 at 341-42.)

it would avoid the expenses associated with testing subscriber trouble reports (recorded in Account 6533 — Testing) because an end user customer's call reporting a trouble would go to the reseller rather than to Verizon VA. (*See* VZ-VA Ex. 107 at 354.)

While AT&T contends that “Verizon took . . . a position that’s very slightly to the right of Attila the Hun where they said that if there’s any chance that this can be both used for retail and wholesale, it’s not avoided,” (Tr. at 3741), AT&T provides precious few examples of such allegedly extreme positions, and the examples it does cite lack merit. For example, AT&T argues that Verizon VA will avoid advertising expenses when Verizon VA provides resale services and that advertising expenses thus should have been counted as avoided costs. (AT&T/WCom Ex. 10 at 9-10.) This argument assumes that Verizon VA will *decrease* its retail advertising expenses as a result of losing retail customers to resellers and thus will actually avoid some amount of advertising expense for each customer served by a reseller rather than by Verizon VA.^{262/} But this premise is incorrect, and in fact is contrary to AT&T’s own response to competition from MCI and Sprint in the long-distance market.^{263/} As Mr. Kirchberger acknowledged, as competition increases, a firm is likely to *increase*, not *decrease* its retail advertising to try to win back former customers (as well as maintain existing customers.)^{264/} In

^{262/} As noted above, the Eighth Circuit specifically held that the statute recognized that incumbents would continue to provide retail service, not just wholesale service — and that only those costs that were actually avoided by the company *as a whole* should be used to calculate the resale discount. Accordingly, to the extent that Verizon VA’s provision of a wholesale service did not decrease its retail advertising expenses, Verizon VA would not have to treat those expenses as avoided, even though they relate to retail service. *See Iowa Utils. Bd.*, 219 F.3d at 755.

^{263/} *See* VZ-VA Ex. 121 at 5-6; VZ-VA Ex. 122, Attachment A (AT&T/WorldCom Response to VZ-VA XIII-10).

^{264/} At the hearing, Mr. Kirchberger backed away from his claim on rebuttal that “a retailer faced with a 40% reduction in market share would likely decrease its retail advertising budget”

addition, retail advertising by Verizon VA benefits wholesale customers by stimulating demand for telecommunications services and products generally. (*See* VZ-VA Ex. 122 at 42-48; VZ-VA Ex. 121 at 5; Tr. at 3718-19.) Finally, as explained above in Part III, as the retail marketplace becomes more competitive, Verizon VA also likely will increase its wholesale advertising to capture (and maintain) wholesale customers.

AT&T also claims that Verizon VA's avoided cost study improperly fails to treat the expenses of providing operator services as avoided. (*See* AT&T/WCom Ex.10 at 18.) AT&T is wrong. As Verizon VA explained in its testimony, when a reseller decides not to use Verizon VA's operator services, it will not incur the charges for those services. The resale discount in that instance is already higher than the standard resale discount because both the costs and all revenues from operator services are excluded from the resale discount calculation, producing a higher percentage discount. To then deduct operator services costs yet again, as AT&T suggests, would produce "double-avoidance" of the costs for the CLEC — once by not paying the charge, and once for the improper removal of the costs from a base that already excludes them. (*See* VZ-VA Ex. 121 at 7-8),

AT&T's other scattered criticisms of the proposed resale discount are equally unavailing.^{265/} There simply is no basis in the record to reject Verizon VA's rate or to propose any adjustment to that rate, and the Commission should adopt it in these proceedings.

(AT&T/WCom Ex. 10 at 9), admitting that "probably AT&T's advertising expenses after 1984 skyrocketed once competition started." (Tr. at 3708.)

^{265/} For example, AT&T suggests that Verizon VA applied the avoided cost standard inconsistently by treating 100% of the costs in the Sales Expense account — which includes costs of developing customer-specific proposals — as avoided but not treating as avoided other costs for certain things that will be provided by resellers. In fact, Verizon VA *will not* avoid the costs of developing customer specific proposals, because it will still perform this activity in order

C. The Language of Section 252(d)(3) Cannot Be Disregarded in Pursuit of AT&T's Policy Aims.

Ultimately, lacking any principled critique of Verizon VA's avoided cost study, AT&T simply falls back on the argument that the resale discount must be higher in order to serve the apparently overriding policy goal of promoting resale-based competition.^{266/} (AT&T/WCom Ex. 10 at 2, 7-8.) AT&T does not even attempt to tie this argument to the language of section 252(d)(3) — nor could it. As noted above, section 252(d)(3) requires that the rate be determined by identifying which retail costs are actually avoided. In short, “Congress has directly spoken to the precise question at issue.”^{267/} Even if the Commission were to credit AT&T's claim that resale competition is not widespread because the existing resale discount does not provide resellers a large enough profit margin — and there is no evidence to support that contention — that would not provide a lawful basis for ignoring the statutory standard and raising the resale

to compete with the CLEC. However, because Verizon VA could not identify and back out from the account the specific costs of customer-specific proposals, Verizon VA conservatively treated the entire account as avoided. (See VZ-VA Ex. 121 at 8.) Likewise, AT&T's claim that Verizon VA should have reduced its indirect costs related to information management (Account 6724) is incorrect. Verizon VA properly treated as avoided certain computer hardware expenses associated with the work of a specific functional group that is avoided. However, information management costs, which are related to databases and software applications used within Verizon VA's data centers, are not avoided simply because certain personnel are avoided. (See VZ-VA Ex. 121 at 10.)

^{266/} This issue is addressed in Verizon VA's written testimony in VZ-VA Ex. 121 at 3-4.

^{267/} *Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc.*, 467 U.S. 837, 842 (1984).

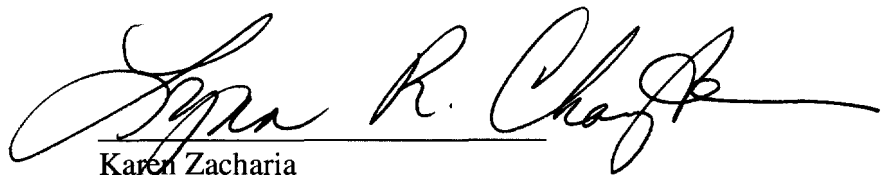
discount. “Regardless of how convincing the Commission’s policy rationales may be, the Commission is without authority to alter congressional mandates.”^{268/}

^{268/} *Southwestern Bell Corp. v. FCC*, 43 F.3d 1515, 1520 n.1 (D.C. Cir. 1995). In any event, the statute clearly does not guarantee the CLECs a certain level of profit for reselling ILEC services. “The purpose of the Act is to promote competition, not to favor one class of competitors at the expense of another.” *U.S. West Communications, Inc. v. Jennings*, 46 F. Supp. 2d 1004, 1021 (D. Ariz. 1999); *cf. Arkansas-Missouri § 271 Order* at ¶ 65 (“The Commission has repeatedly stated that incumbent LECs are not required, pursuant to the requirements of section 271, to guarantee competitors a certain profit margin.”).

IX. CONCLUSION

For the foregoing reasons, the Commission should (1) approve Verizon VA's cost study methodology and inputs, as well as the costs resulting from Verizon VA's studies; (2) reject the MSM and the costs proposed by AT&T/WCom; and (3) adopt the UNE rates produced by Verizon VA's studies in these proceedings.

Respectfully submitted,



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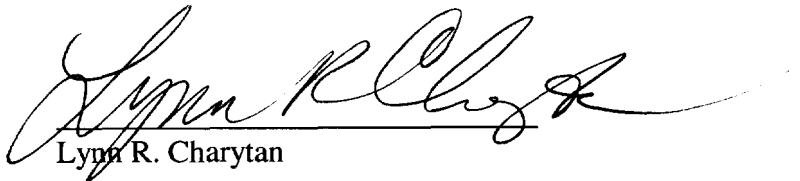
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GLOSSARY

ACF	Annual Cost Factor
ADM	Add-Drop Multiplexers
CAPM	Capital Asset Pricing Model
CC/BC	Current Cost to Book Cost [Ratio]
CLEC	Competitive Local Exchange Carrier
CO	Central Office
DA	Distribution Area
DCF	Discounted Cash Flow
DCPR	Detailed Continuing Property Record
DIP	Dedicated Inside Plant
DLC	Digital Loop Carrier
DSL	Digital Subscriber Line
DUF	Daily Usage File
EF&I	Engineer, Furnish & Install [factor]
FASB	Financial Accounting Standards Board
FLC	Forward-Looking-to-Current [factor]
GAAP	Generally Accepted Accounting Principles
GNP	Gross National Product
IDLC	Integrated Digital Loop Carrier
ILEC	Incumbent Local Exchange Carrier
IOF	Interoffice Facility
IS	Information Systems

ISDN	Integrated Services Digital Network
LCAM	Loop Cost Analysis Model
LEC	Local Exchange Carrier
LPDF	Low Profile Distribution Frames
MDF	Main Distribution Frame
MLAC	Mechanized Loop Assignment Center
MSM	Modified Synthesis Model
NERA	National Economic Research Associates
NID	Network Interface Device
NRC	Non-Recurring Cost
NRCM	Non-Recurring Cost Model
OSS	Operations Support Systems
POP	Point of Presence
RT	Remote Terminal
SAI	Serving Area Interface
SCIS	Switching Cost Information System
SME	Subject Matter Expert
SONET	Synchronous Optical Network
TELRIC	Total Element Long-Run Incremental Cost
TPI	Telephone Plant Index
UAA	Ultimate Allocation Area
UDLC	Universal Digital Loop Carrier
UNE	Unbundled Network Element

UNE-P	Unbundled Network Element-Platform
VRUC	Vintage Retirement Unit Cost
Y2K	Year 2000

VERIZON VA EXHIBIT LIST
CC Docket Nos. 218, 249 and 251

Exhibit No.	Description	Date Filed
100 Proprietary	Verizon VA's TELRIC Cost Studies	July 2, 2001
100 Public	Verizon VA's TELRIC Cost Studies	July 2, 2001
101	Direct Testimony: Dr. Howard Shelanski on Economic Foundations, And Attachment A	July 31, 2001
102	Direct Testimony: Dr. Kenneth Gordon on Economic Foundations, And Attachment A	July 31, 2001
103 Proprietary	Direct Testimony: Harold West III on Local Competition VA, And Attachments A 1-13	July 31, 2001
103 Public	Direct Testimony: Harold West III on Local Competition VA, And Attachments A 1-13	July 31, 2001
104	Direct Testimony: Dr. James Vander Weide on Cost of Capital, And Attachments A Through C	July 31, 2001
105	Direct Testimony: Dr. John Lacey on Depreciation, And Attachment A	July 31, 2001

Exhibit No.	Description	Date Filed
106	Direct Testimony: Dr. Allen Sovereign on Depreciation, And Attachment A	July 31, 2001
107 Proprietary	Direct Testimony: Verizon VA Inc. Panel Testimony on Unbundled Network Element and Interconnection Costs, Donald Albert, Ralph Curbelo, Joseph Gansert Nancy Matt, Louis Minion, Mike Peduto, Gary Sanford, John White, And Attachments A Through E	July 31, 2001
107 Public	Direct Testimony: Verizon VA Inc. Panel Testimony on Unbundled Network Element and Interconnection Costs, Donald Albert, Ralph Curbelo, Joseph Gansert Nancy Matt, Louis Minion, Mike Peduto, Gary Sanford, John White, And Attachments A Through E	July 31, 2001
108	Rebuttal Testimony: Dr. Timothy Tardiff on Critique of ATT/WCOM Recurring Model, And Attachments A Through B	August 27, 2001
109 Proprietary	Rebuttal Testimony: Francis Murphy, on Critique of ATT/WCOM Recurring Model, And Attachments 1 Through 4	August 27, 2001
109 Public	Rebuttal Testimony: Francis Murphy, on Critique of ATT/WCOM Recurring Model, And Attachments 1 Through 4	August 27, 2001

Exhibit No.	Description	Date Filed
110	Rebuttal Testimony: Dr. Howard Shelanski on Economic Foundations	August 27, 2001
111	Rebuttal Testimony: Dr. Jerry Hausman on Economic Foundations, And Attachment A	August 27, 2001
112	Rebuttal Testimony: Dr. James Vander Weide on Cost Capital	August 27, 2001
113 Proprietary	Rebuttal Testimony: Dr. John Lacey on Depreciation	August 27, 2001
113 Public	Rebuttal Testimony: Dr. John Lacey on Depreciation	August 27, 2001
114	Rebuttal Testimony: Allen Sovereign on Depreciation	August 27, 2001
115	Rebuttal Testimony: Harold West III on Rate Policy	August 27, 2001
116	Rebuttal Testimony: Ralph Curbelo, Carlo Peduto II & John White, on Critique of ATT/WCOM Non-Recurring Model, And Attachments A Through G	August 27, 2001
117	Surrebuttal Testimony: Drs. Howard Shelanski & Timothy Tardiff on Economic Foundations	September 21, 2001
118	Surrebuttal Testimony: Dr. James Vander Weide on Cost of Capital	September 21, 2001

Exhibit No.	Description	Date Filed
119	Surrebuttal Testimony: Dr. John Lacey on Depreciation	September 21, 2001
120	Surrebuttal Testimony: Allen Sovereign & Joseph Gansert on Depreciation	September 21, 2001
121 Proprietary	Surrebuttal Testimony: Louis Minion on Resale Discount, And Attachment A Through B	September 21, 2001
121 Public	Surrebuttal Testimony: Louis Minion on Resale Discount, And Attachment A Through B	September 21, 2001
122 Proprietary	Surrebuttal Testimony: Verizon VA Inc. Recurring Cost Panel, Joseph Gansert, Nancy Matt, Louis Minion & Gary Sanford, And Attachment A Through U	September 21, 2001
122 Public	Surrebuttal Testimony: Verizon VA Inc. Recurring Cost Panel, Joseph Gansert, Nancy Matt, Louis Minion & Gary Sanford, And Attachment A Through U	September 21, 2001
123 Proprietary	Surrebuttal Testimony: David Garfield on Use of SCIS Model	September 21, 2001
123 Public	Surrebuttal Testimony: David Garfield on Use of SCIS Model	September 21, 2001

Exhibit No.	Description	Date Filed
124 Proprietary	Surrebuttal Testimony: Verizon VA Inc. Non-Recurring Cost Panel, Ralph Curbelo, Louis Minion, Mike Peduto, John White & Gene Goldrick, And Attachments A Through G	September 21, 2001
124 Public	Surrebuttal Testimony: Verizon VA Inc. Non-Recurring Cost Panel, Ralph Curbelo, Louis Minion, Mike Peduto, John White & Gene Goldrick, And Attachments A Through G	September 21, 2001
125 Proprietary	Supplemental Surrebuttal Testimony: Nancy Matt on Cost Studies, And Attachments A Through G (With Attachment B 1-4)	October 18, 2001
125 Public	Supplemental Surrebuttal Testimony: Nancy Matt on Cost Studies, And Attachments A Through G (With Attachment B 1-4)	October 18, 2001

VERIZON EXHIBITS

VZ-VA FCC ARB

Docket Nos.

00-218, 00-249 & 00-251

VERIZON

Tab	Exhibit Nos.	Description
1	59	Chart
2	126	Letting Go: Deregulating The Process of Deregulation
3	127	AT&T/WCOM's Response to VZ-VA XIII-84
4	128	AT&T/WCOM's Response to VZ-VA XIII-80
5	129	Puerto Rico Tel. Co. (excerpts) (not admitted)
6	130	Puerto Rico Tel. Co. (not admitted)
7	131	APB Accounting Principles
8	132	Statement of Position: Recession of Accounting Principles Board Statements, March 19, 1993
9	133	Original Pronouncements
10	134	Graph drawn by Lacey
11	135	Telephone Holding Companies Chart
12	136	Hearing Transcript: Virginia PUC No. 970005, June 20, 1997
13	137	Excerpt from AT&T/WorldCom Response VII-2
14	138	Iowa Utilities Board v. FCC, July 18, 2000
15	139	Errata to Exhibits 100 and 107
16	140	Errata to Exhibit 100 (DUFF)

17	141	Errata to Murphy Rebuttal (Exhibit 109) (not admitted)
18	142	Updated Calculation in Murphy Rebuttal (not admitted)
19	143	Errata to Tardiff Rebuttal (Exhibit 108) (not admitted)
20	144	Gansert Drawing
21	145	AT&T/WCom's Response to VZ's Discovery Request #14-87
22	146	AT&T Response to 9-22
23	147	AT&T Response to 9-25
24	148	AT&T Response to 3-41
25	149	AT&T Response to 3-43
26	150	Surrebuttal of Pitkin - Unit Costs Workpapers
27	151	Surrebuttal of Pitkin - Cluster Workpapers
28	152	Surrebuttal of Pitkin - Distribution Output Workpapers
29	153	Surrebuttal Errata
30	154	Updated Calculations of Tardiff's Rebuttal (not admitted)
31	155	GR-303 System Deployment Issues
32	156	Alcatel Letter
33	157	Telcordia Website
34	158	New Jersey Transcript
35	159	Errata of TELRIC Cost Studies
36	160	Errata to NRC Panel Surrebuttal
37	161	Nancy Matt Supplemental Testimony of November 2, 2001
38	162	Tardiff Supplemental Testimony
39	163	Murphy Supplemental Rebuttal Testimony
40	164	Errata of Murphy Supplemental Rebuttal Testimony
41	165	Errata to Tardiff Supplemental Testimony
42	166	Errata on the Direct Testimony of the Recurring Cost Panel
43	167	Errata on the Surrebuttal Testimony of the Recurring Cost Panel